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PUBLIC AND PUBLICLY GUARANTEED
DEBT STATISTIC
BULLETIN

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Preface

The regulations for collecting, compiling, reporting, and publishing public debt information are stipulated in the Public Debt Management Law No.46/NA, dated 18 June 2018. This Public Debt Bulletin is published in compliance with the provisions on public debt information disclosure of the above-mentioned Law.

Public debt information is compiled by the Public Debt Management Department, Ministry of Finance of Lao P.D.R., based on data provided by relevant departments of the Ministry of Finance (Stated Budget Department, National Treasury, External Finance Department, Department of State-Owned Enterprise Reform and Insurance), other relevant Government agencies (Ministry of Planning and Investment, Bank of the Lao P.D.R.) and International Financial Institutions.

This Bulletin contains stock and flow data (both actual and projected for a given period) and a statement on public and publicly guaranteed debt.

To avoid any misinterpretation of the data, it is necessary to understand the coverage, classifications, and definitions of the technical terms used in this Bulletin. This information is provided in Part 1: General Introduction for reference.

We would like to introduce Bulletin No.4 on Public and Publicly Guaranteed Debt of the Lao PDR as of the end of 2022. The statistical data for the year 2022 shall be revised following the respective final accounts of the State Budget. Comments from readers are highly appreciated to improve the content of the Bulletin.

Part 1: General Introduction

Coverage

The report provides information on the Public and Publicly Guaranteed Debt of the Lao PDR, it includes Central Government debt (external debt and domestic debt) and SOE debt guaranteed by government.

Methodology for data aggregation

Using the United Nations Conference on Trade and Development's (UNCTAD) Debt Management and Financial Analysis System (DMFAS 6.0), MOF compiles data from detailed loan records and provides aggregated reports on the total external debt and domestic debt of Government. Publicly guaranteed debt is reported to MOF by SOEs.

Conversion to a common currency

To produce the summary tables, debt data was converted into a common currency, either U.S. dollar or Lao Kip. The conversion is executed as follows: (i) Stocks, such as debt outstanding, are converted using end-period exchange rates; (ii) Flows, such as debt service and disbursements, are converted using exchange rates as of the date of each transaction. Exchange rates are determined daily for transactions.

Classifications

The public debt classifications follow the provisions of Law on Public Debt Management and comply with internationally adopted standards, as presented in *Public Sector Debt Statistics*.

Debt data

The main sources of information for this Bulletin are the database of public debt of the Lao PDR, administered by MOF using DMFAS 6.0 and statistical reports of relevant agencies.

Reference data

The reference data or common information required in administering the debt data and/or transactions are composed of:

- Exchange rates;
- Common interest rates/variable interest rates, such as LIBOR, SIBOR, etc.

The exchange rates applied for converting transactions (disbursement and debt service) and/or stocks and projected flows are obtained from the Bank of the Lao PDR's website and recorded in DMFAS 6.0 by the Ministry of Finance daily.

Part 2: Public Debt Statement

1. Key developments

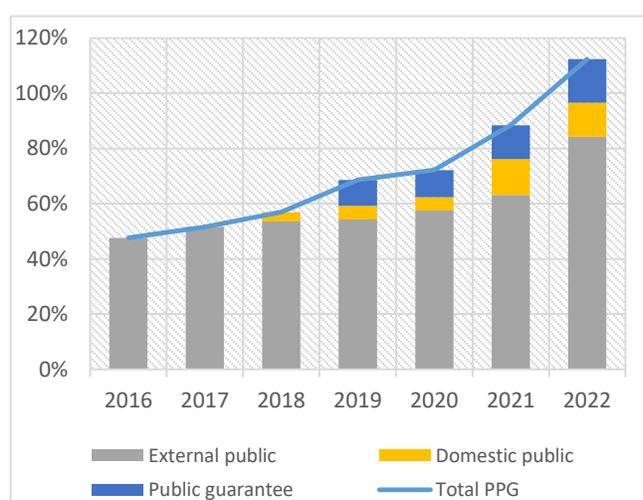
1.1. Debt outstanding

As of 31 December 2022, public and publicly guaranteed (PPG) debt amounted to \$14.0 billion, a decline from \$14.5 billion in 2021. However, the PPG debt stock (based on the domestic value of external debt) rose from 88 percent of GDP in 2021 to 112 percent of GDP in 2022, mainly due to the sharp currency depreciation in 2022. The Lao kip weakened by 55 percent at the end of 2022 (from 11,205 kip/USD at the end of 2021 to 17,312 kip/USD at the end of 2022). Similarly, public debt (without public guarantees) amounted to \$12.0 billion in 2022, down from \$12.4 billion in 2021. However, public debt rose to 97 percent of GDP in 2022, from 76 percent of GDP in 2021.

PPG debt mostly comprised external public debt, followed by external publicly guaranteed debt and domestic debt. The external public debt stock amounted to \$10.5 billion in 2022, representing 75 percent of total PPG debt, followed by public guarantees (14 percent) and domestic debt (11 percent).

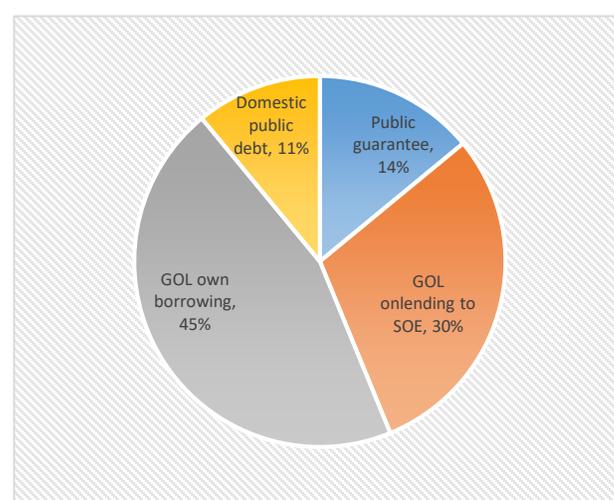
External PPG debt mainly comprised the Government's own borrowing, while on-lending and guarantees were provided to state-owned enterprises, mainly in the power sector. External PPG debt (100 percent of GDP) mostly comprised external public debt (85 percent of GDP), followed by guarantees (16 percent of GDP). The stock of the Government's own borrowing amounted to 64 percent of GDP, while on-lending and guarantees amounted to 49 percent of GDP, mostly to the energy sector. Loans and guarantees were provided to the energy sector under long-term power purchase agreements providing foreign currency revenues to support the repayment of loans.

Figure 1: PPG debt stock (% GDP)



Source: Ministry of Finance

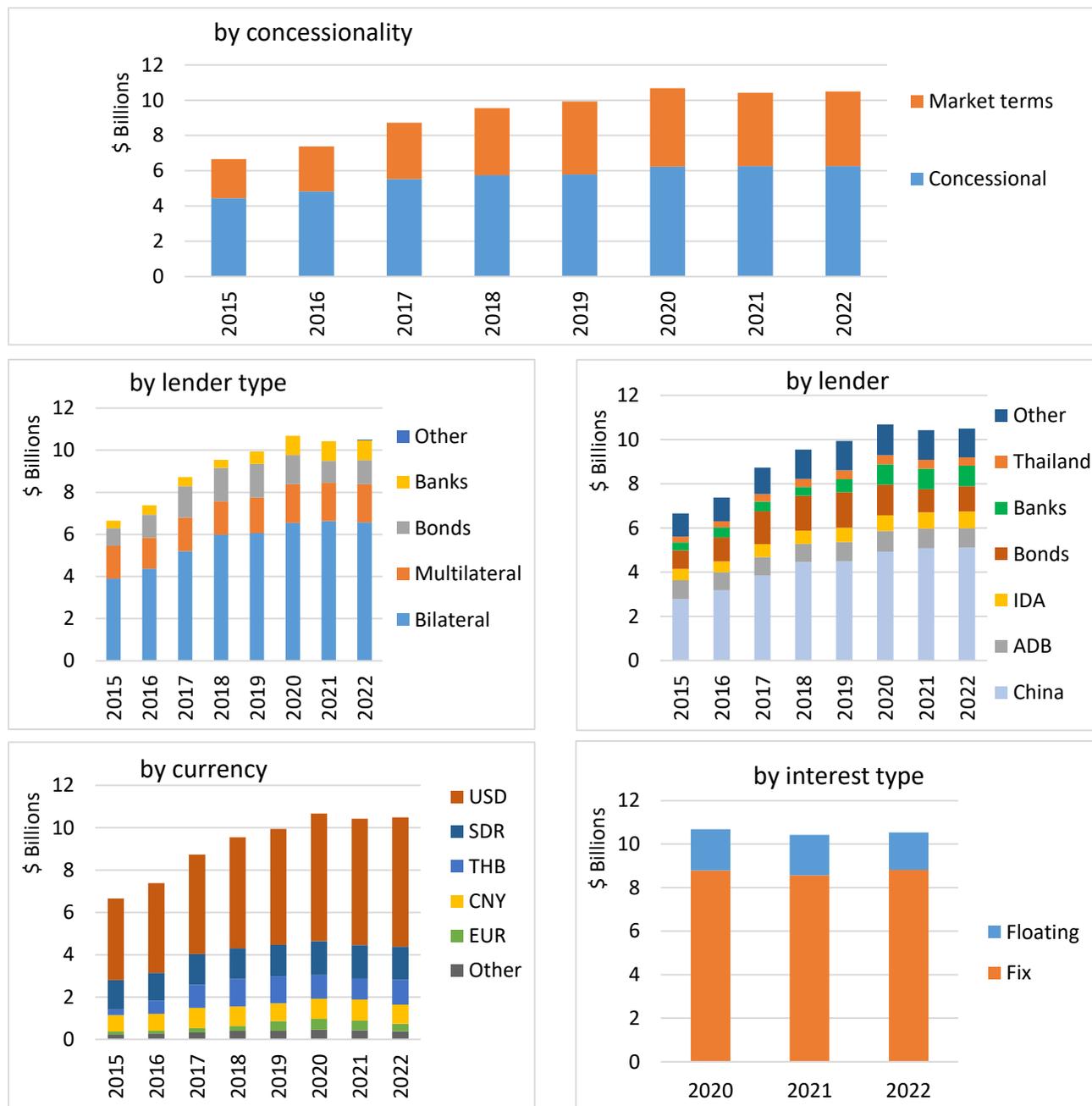
Figure 2: PPG debt stock composition (%)



Source: Ministry of Finance

External public debt is mainly concessional, denominated in US dollars, has a fixed interest rate, and is mostly from bilateral creditors. External public debt slightly increased from \$10.4 billion in 2021 to \$10.5 billion in 2022, but rose from 63 percent of GDP to 84 percent of GDP in the same period. Due to a challenging fiscal situation and high debt levels, the government is limiting commercial borrowing and seeking additional concessional borrowing. The share of concessional debt rose from 58 percent in 2020 to 60 percent in 2022, while the share of commercial debt declined from 42 to 40 percent in the same period. Bilateral debt accounted for 63 percent of external debt in 2022, mostly from China.

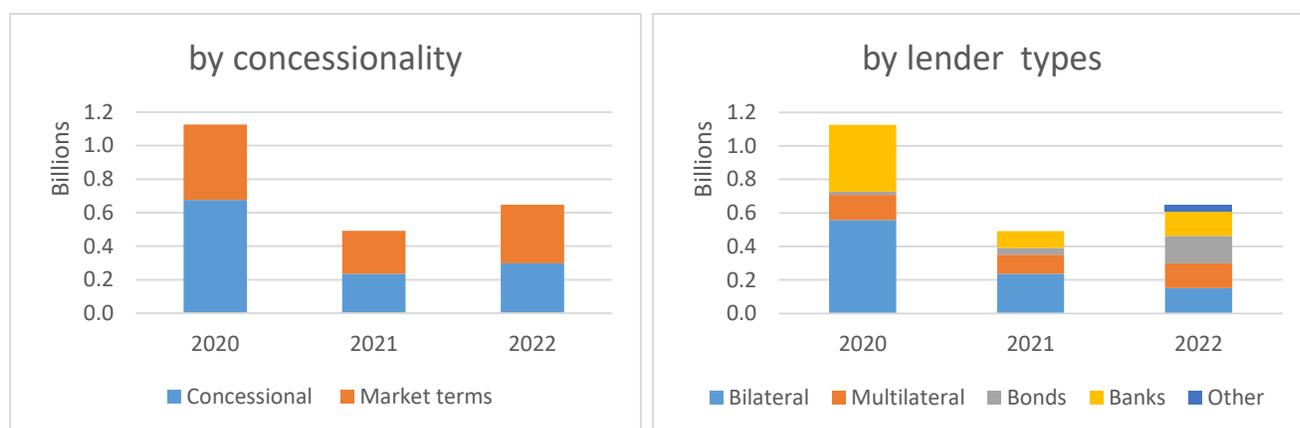
Figure 3: Total external debt stock



Source: Ministry of Finance

External debt disbursements in 2022 were driven by existing project loans, bond issuances, and borrowing from commercial banks. Disbursements rose by 32 percent to \$648 million, both from concessional and non-concessional (i.e., market-terms) borrowing. Concessional loan disbursements financed existing and new public investment projects. New non-concessional borrowing (excluding rollovers), particularly from bond issuances in the Thai and domestic markets, as well as commercial banks, was used to repay non-concessional debt that was due in 2022. In addition to this, the Government used other financing sources (including revenues and on-lending repayments collected from SOEs) to meet financing needs. As a result, new non-concessional borrowing has been below non-concessional debt service payments in the past few years, gradually reducing its share in total public debt. Out of the total disbursements in 2022, \$164 million were from bond and \$484 million from loans (including \$150 million bilateral, \$150 million commercial banks, \$149 million multilateral, and \$35 million from other creditor types). The government did not issue new guarantees (to SOEs) in 2022.

Figure 4: Total external disbursement in 2020-2022

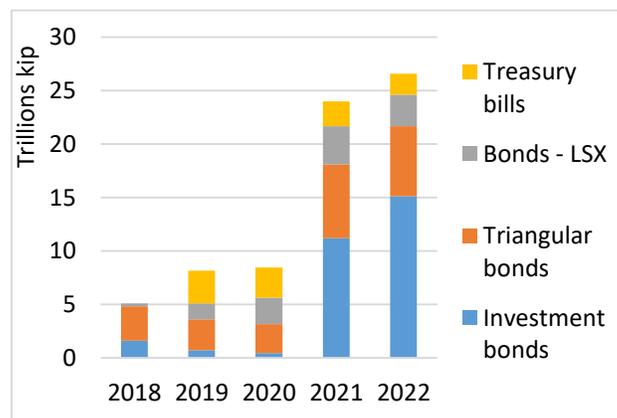


Source: Ministry of Finance

Domestic debt slightly increased in 2022, mainly due to the issuance of investment bonds. Although the domestic debt stock in nominal terms increased, the domestic debt-to-GDP ratio declined from 13 to 12 percent (because GDP grew faster). Domestic debt primarily comprised investment bonds, which accounted for 57 percent of the total (including bonds for direct public investment arrears clearance and recapitalization of state-owned banks). This was followed by triangle bonds (25 percent), which were mainly used as another mechanism to resolve public investment arrears. Lastly, government bonds for budget

financing, issued through Lao Stock Market (LSX) and the Bank of the Lao PDR (BOL), accounted for around 18 percent of the total.

Figure 5: Total domestic debt stock 2018-2022

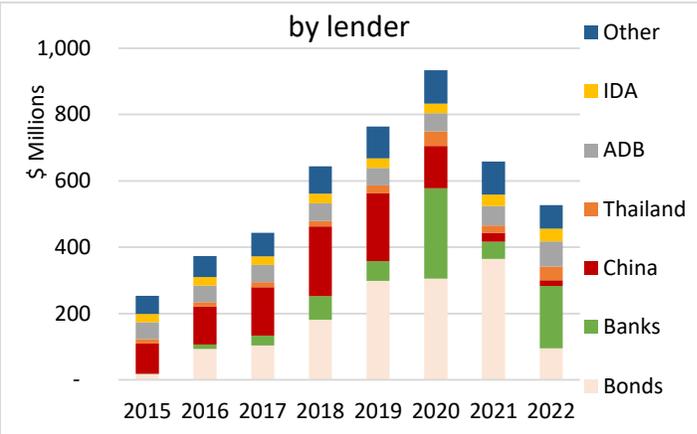


Source: Ministry of Finance

1.2. Debt service

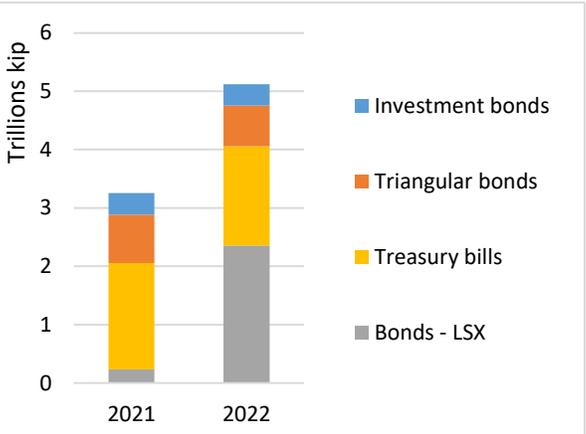
Total public debt service was driven by higher domestic debt repayments, while external debt repayments were affected by the kip depreciation. Domestic debt repayments rose from 3,255 trillion kip in 2021 to 5,120 trillion kip in 2022 (about 57 percent), owing to interest payments on bonds issued in 2021 to clear arrears and principal repayments on bonds issued through Lao Stock Exchange. External public debt repayments declined from \$658 million in 2021 to \$526 million in 2022, mainly due to substantially lower repayments of external bonds, despite higher commercial bank repayments. Bond and commercial bank repayments fluctuate considerably due to irregular maturity profiles. Compared to the initial external debt service plan for 2022, actual repayments were noticeably lower due to the deferral of debt repayments to key creditors. Accumulated deferred debt repayments to key creditors amounted to \$1.2 billion in 2020-2022.¹ Despite deferred repayments, meeting external debt service obligations was challenging due to the depreciation of the kip. As a result, public debt service as a share of total government revenue rose from 36 percent in 2021 to 44 percent in 2022.

Figure 6: Total external debt service repayments 2015-2022



Source: Ministry of Finance

Figure 7: Total domestic debt service repayments 2021-2022



Source: Ministry of Finance

2. Key risks

2.1. Macroeconomic risks

The debt portfolio is highly exposed to exchange rate risks. External debt accounts for 87 percent of the total public debt stock, indicating a high risk to kip depreciations (as occurred in 2022). The refinancing risk (debt maturing in one year accounted for 15 percent of total public debt stock) and interest rate risk (variable interest rate loans accounted for 15 percent of debt stock) are relatively low.

¹ Deferred debt service payments (principal and interest) include \$202 million in 2020, 426 million in 2021 and 594 million in 2022.

Indicators	Units	Description	2020	2021	2022
Cost of debt	Percent	Interest payment as percent of GDP	1.60%	0.87%	1.73%
Refinancing risk	Percent	Debt maturing in 1 year as percent of Total Debt	11.06%	12.42%	15.15%
Interest rate risk	Percent of total public debt stock	Total debt stock with fixed interest rates as percent of total public debt stock	84.18%	85.24%	85.69%
	Percent of total public debt stock	Total domestic T-bills stock with fixed interest rates as percent of total public debt stock	1.48%	1.64%	0.94%
Foreign exchange rate risk	Percent of total public debt stock	Total debt stock in foreign currencies (external debt stock)	92.08%	82.96%	87.24%

Remark: Interest payment does not include interest obligations that were deferred.

Future debt portfolio and debt service are subject to key domestic and external risks:

Domestic risks

- Contingent liabilities from state-owned enterprises (SOEs) with weak financial positions (and further bank recapitalisation needs) can burden the government budget. However, major SOEs are now under a reform process to improve their financial position. They are also negotiating with creditors to defer and restructure their debts, which would reduce the government's risk.
- If non-debt financing sources (e.g., domestic revenues, SOE on-lending repayments, and asset sales/privatisation) are lower than expected, then the government may have to borrow more.
- Additional investment arrears would increase the domestic debt stock and debt service if settled by issuing bonds, or constrain spending if gradually settled through budget allocations (e.g., a share of annual capital expenditure).

External risks

- A further depreciation against major foreign currencies will increase the domestic value of debt stocks and put more stress on debt service obligations.
- Although variable-interest rate debt accounts for only 15 percent of total public external debt, there is still exposure to interest rate risks due to higher interest rates in international financial markets, which are already increasing refinance costs.
- Lower commodity prices could affect domestic revenue collection (including in foreign currencies), particularly from the mining sector.

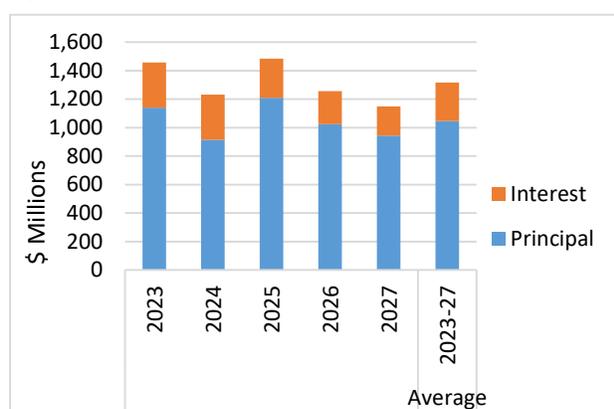
3. Strategy

3.1. Financing needs

Total public debt service obligations are expected to remain high in the next 5 years. The average annual external debt service plan amounts to about \$1.3 billion (comprising \$1 billion of principal repayments and \$300 million of interest) from 2023 to 2027. Domestic debt payments are also relatively high, reaching about 9 trillion LAK per year (7.8 trillion LAK of principal repayments and 1.2 trillion LAK of interest). In order to meet debt service obligations in the medium term, the government is currently planning to utilize the following financing sources:

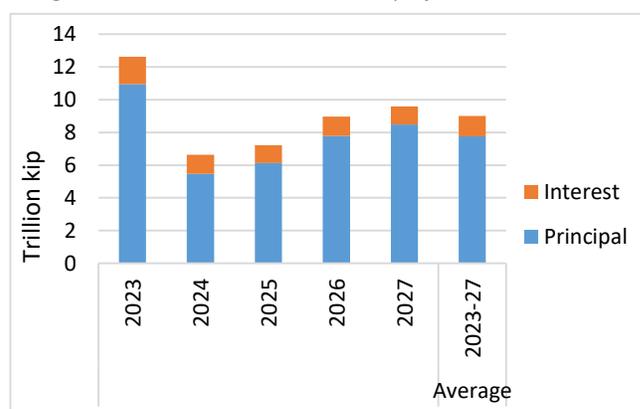
- Interest payments: will be allocated to annual budget expenditure plan;
- Principal repayments: will be financed by domestic revenue (in foreign exchange), on-lending repayments collected from SOEs, frontloading revenue from assets in the power sector, negotiating with creditors for debt deferment or rollover, and new borrowing.

Figure 8: Total external debt service projection 2023-2027



Source: Ministry of Finance

Figure 9: Total domestic debt service projection 2023-2027



Source: Ministry of Finance

3.2. Medium-term debt management strategy

The government will strictly implement debt management policies and aim to reduce the public debt to GDP ratio to 89 percent of GDP by 2025. Assuming that the Lao kip will be stable in the next few years, the government targets the same level of public debt in US dollar terms, which would reduce the public debt to GDP ratio from 97 percent in 2022 to 89 percent in 2025 – while avoiding the issuance of guarantees. This will be mainly achieved through the strict implementation of borrowing and financing policies. Borrowing for new projects will be limited by prioritising efficient projects yielding sufficient financial returns to repay the associated debt. The government is exploring non-debt sources of finance, such as frontloading revenues from power project assets (e.g. by granting concession extensions to investors in advance). However, new borrowing is still necessary to fulfil debt service obligations. To increase market access, sovereign credit ratings need to improve through the restructuring of the public debt profile, while increasing transparency.

Debt restructuring is one of the key policies. Lao PDR will continue to negotiate with key creditors to defer (or rollover) the existing debt stock, which would improve liquidity and lessen pressures on debt service. Limiting new commercial borrowing is also key. Developing domestic capital markets is another priority.

Part 3: Debt Statistics: 2018-2022

Table 1: Summary Table

	Risk Indicators	Unit	2018	2019	2020	2021 (Revised)	2022 (Preliminary)
I.	Total public and publicly guaranteed debt stock	Billion Kip	86,756.59	111,515.99	124,733.66	163,530.23	242,264.69
	Total public debt	Billion Kip	86,756.59	96,410.87	107,776.14	140,817.03	208,276.17
	External public debt	Billion Kip	81,654.92	88,264.02	99,315.17	116,820.41	181,690.47
	Domestic public debt	Billion Kip	5,101.68	8,146.86	8,460.97	23,996.61	26,585.69
	Total public guaranteed debt	Billion Kip	N/A	15,105.12	16,957.52	22,713.20	33,988.53
II	Total public debt services		5,503,367	11,091,527	11,609,990	10,629,115	14,235,323
	External public debt service	Billion Kip	5,503,367	6,782,036	8,673,708	7,373,798	9,114,912
	Domestic public debt service	Billion Kip	N/A	4,309,492	2,936,283	3,255,317	5,120,411
I.	Total public and publicly guaranteed debt stock	Percent of GDP	57%	69%	72%	88%	112%
	Total public debt	Percent of GDP	57%	59%	62%	76%	97%
	External public debt	Percent of GDP	54%	54%	57%	63%	84%
	Domestic public debt	Percent of GDP	3%	5%	5%	13%	12%
	Total public guaranteed debt	Percent of GDP	N/A	9%	10%	12%	16%
II	Total public debt services		23%	44%	53%	36%	44%
	External public debt service	Percent of total GOL revenues	23%	27%	40%	25%	28%
	Domestic public debt service	Percent of total GOL revenues	N/A	17%	13%	11%	16%
	Memo items:						
	Nominal GDP	Billion Kip	152,414.17	162,657.10	172,919.37	184,982.24	215,690.00
	Total public external debt stock	Million USD	9,549.17	9,936.28	10,683.65	10,425.74	10,494.89
	Total public external debt service	Million USD	643.59	763.48	933.06	658.08	526.50
	Total public domestic debt stock	Billion Kip	5,101.68	8,146.86	8,460.97	23,996.61	26,585.69
	Total public domestic debt service	Billion Kip	N/A	4,309.49	2,936.28	3,255.32	5,120.41
	Total GOL revenues (domestic revenues + grants)	Billion Kip	23,943.78	25,340.53	21,846.86	29,389.00	32,486.97
	Total public guaranteed debt stock	Million USD	N/A	1,700.45	1,824.17	2,027.06	1,963.26
	Exchange Rates, USD/LAK, End of period		8,551	8,883	9,296	11,205	17,312
	Exchange Rates, USD/LAK, Period average		8,481	8,797	9,381	9,745	14,327

Source: Ministry of Finance, Lao Statistics Bureau, Bank of the Lao PDR, IMF International Financial Statistics

Remark: The calculation of public debt ratios follows the Public Sector Debt Statistics Guide for Compilers and Users (2011).

Table 2: Total Public and public guaranteed debt in 2022

	2022		
	Million USD	% of total	% of GDP
Total public and publicly guaranteed	13,994	100%	112%
External public and publicly guaranteed	12,458	89%	100%
Public Guaranteed debt	1,963	14%	16%
Total Public external debt	10,495	75%	84%
Public External debt - GOL onlending SOEs	4,167	30%	33%
Public External debt - own borrowing	6,328	45%	51%
Domestic public debt	1,536	11%	12%
Memo item:			
Nominal GDP (Billion LAK)	215,690.00		
Exchange Rates, Kip/USD, End of period	17,312		
Exchange Rates, Kip/USD, Period average	14,327		

	2022		
	Million USD	% of total	% of GDP
Total public and publicly guaranteed debt	13,994	100%	112%
Total public debt	12,031	86%	97%
External public debt	10,495	75%	84%
Domestic public debt	1,536	11%	12%
Total public guaranteed debt	1,963	14%	16%

Source: Ministry of Finance, Lao Statistics Bureau, Bank of the Lao PDR, IMF International Financial Statistics

Remark: External debt is based on the currency criterion. Debt denominated in foreign currency is classified as external debt (even if issued domestically), while debt denominated in LAK is classified as domestic debt.

Table 3: Risk Indicators

Indicators	Units	Description	2020	2021	2022
Cost of debt	Percent	Interest payment as percent of GDP	1.60%	0.87%	1.73%
Refinancing risk	Percent	Debt maturing in 1yr as percent of Total Debt	11.06%	12.42%	15.15%
Interest rate risk	Percent of total public debt stock	Total debt stock with fixed interest rates as percent of total public debt stock	84.18%	85.24%	85.69%
	Percent of total public debt stock	Total domestic T-bills stock with fixed interest rates as percent of total public debt stock	1.48%	1.64%	0.94%
Foreign exchange rate risk	Percent of total public debt stock	Total debt stock in foreign currencies (external debt stock)	92.08%	82.96%	87.24%

Table 4: External public debt stock by creditors, 2018-2022

Creditor	2018	2019	2020	2021 (Revised)	2022 (preliminary)
CONCESSIONAL	5,751.94	5,785.72	6,232.01	6,262.25	6,258.53
LOAN	5,751.94	5,785.72	6,232.01	6,262.25	6,258.53
BILATERAL	4,217.73	4,150.84	4,451.00	4,505.54	4,488.67
AUSTRIA	28.17	32.33	36.54	33.91	32.49
CHINA	3,323.99	3,212.65	3,443.02	3,499.74	3,529.49
HUNGARY	84.53	91.72	99.26	119.39	124.86
INDIA	78.05	71.91	65.67	59.38	53.00
JAPAN	217.80	221.14	249.14	227.94	195.73
KOREA	230.63	238.13	257.37	259.26	253.60
KUWAIT	17.01	14.59	19.42	19.88	17.34
SWEDEN	5.99	5.24	5.53	4.50	4.32
THAILAND	231.55	263.13	275.06	281.55	277.83
MULTILATERAL	1,534.21	1,634.88	1,781.02	1,756.70	1,769.86
ADB	824.03	883.29	935.15	894.47	869.22
AIIB	0.00	0.00	5.48	6.74	6.74
EEC	0.70	0.63	0.61	0.50	0.40
EIB	0.00	0.00	0.00	11.59	33.54
IDA (World Bank)	588.99	638.39	716.46	729.99	754.88
IFAD	46.13	44.01	46.70	44.07	43.36
NDF	49.99	47.01	57.98	53.52	48.41
OPEC	24.38	21.55	18.64	15.81	13.29
MARKET TERMS	3,797.23	4,150.57	4,451.63	4,163.49	4,236.37
BOND	1,590.49	1,608.67	1,383.69	1,041.03	1,145.27
LOAN	2,206.74	2,541.89	3,067.94	3,122.47	3,091.10
BILATERAL	1,764.23	1,907.34	2,104.28	2,138.43	2,080.39
AUSTRIA	161.89	147.72	133.63	105.67	84.72
CHINA	1,135.46	1,275.57	1,481.68	1,586.00	1,586.00
MALAYSIA	50.00	60.82	84.19	76.00	62.50
RUSSIA	286.78	274.28	261.28	247.78	247.78
THAILAND	130.10	148.94	143.50	122.98	99.39
MULTILATERAL	52.54	53.42	54.13	52.02	49.75
EIB	48.68	47.43	46.05	44.54	42.87
OPEC	3.87	6.00	8.08	7.48	6.88
COMMERCIAL BANKS	389.96	581.13	909.53	932.02	925.96
OTHERS*	0.00	0.00	0.00	0.00	35.00
Grand Total	9,549.17	9,936.28	10,683.65	10,425.74	10,494.89

Remark:

- (1) The debt outstanding for 2022 would increase to \$10.8 billion if the estimated total deferred interest payments during 2020-2022 of \$304 million is included.
- (2) The stock of debt does not equal the previous year's debt stock plus disbursements minus principal repayments because of exchange rate fluctuations.
- (3) *Others means to private companies

Table 5: External public debt stock by currencies, 2018-2022

In Million USD

Currencies	2018	2019	2020	2021 (Revised)	2022
CNY	914.86	847.83	946.40	989.00	904.98
EUR	231.55	453.62	513.48	463.82	357.71
JPY	217.80	221.14	249.14	227.94	195.73
KRW	159.70	164.64	183.70	175.44	164.27
KWD	17.01	14.59	19.42	19.88	17.34
SDR	1,435.80	1,488.33	1,611.58	1,569.47	1,548.38
SEK	5.99	5.24	5.53	4.50	4.32
THB	1,316.21	1,276.93	1,120.53	998.45	1,179.30
USD	5,250.24	5,463.96	6,033.78	5,977.23	6,122.86
GRAND TOTAL	9,549.17	9,936.28	10,683.65	10,425.74	10,494.89

Source: Ministry of Finance

Table 5.1: Exchange rates

		Dec 2020	Dec 2021	Dec 2022
China, P.R.: Mainland	Exchange Rates, National Currency Per U.S. Dollar, End of Period, Rate	6.5349	6.3704	6.9860
China, P.R.: Mainland	Exchange Rates, National Currency Per U.S. Dollar, Period Average, Rate	6.5442	6.3672	6.9829
Euro Area	Exchange Rates, National Currency Per U.S. Dollar, End of Period, Rate	0.8149	0.8829	0.9376
Euro Area	Exchange Rates, National Currency Per U.S. Dollar, Period Average, Rate	0.8217	0.8847	0.9444
Japan	Exchange Rates, National Currency Per U.S. Dollar, End of Period, Rate	103.6300	114.2100	132.6500
Japan	Exchange Rates, National Currency Per U.S. Dollar, Period Average, Rate	103.8888	113.6165	135.4224
Korea, Rep. of	Exchange Rates, National Currency Per U.S. Dollar, End of Period, Rate	1,088.0000	1,186.6000	1,267.3000
Korea, Rep. of	Exchange Rates, National Currency Per U.S. Dollar, Period Average, Rate	1,095.1300	1,183.6200	1,296.2200
Kuwait	Exchange Rates, National Currency Per U.S. Dollar, End of Period, Rate	0.3036	0.3025	0.3061
Kuwait	Exchange Rates, National Currency Per U.S. Dollar, Period Average, Rate	0.3042	0.3026	0.3066
Singapore	Exchange Rates, National Currency Per U.S. Dollar, End of Period, Rate	1.3221	1.3517	1.3446
Singapore	Exchange Rates, National Currency Per U.S. Dollar, Period Average, Rate	1.3324	1.3632	1.3520
Switzerland	Exchange Rates, National Currency Per U.S. Dollar, End of Period, Rate	0.8812	0.9127	0.9233
Switzerland	Exchange Rates, National Currency Per U.S. Dollar, Period Average, Rate	0.8889	0.9209	0.9321
Thailand	Exchange Rates, National Currency Per U.S. Dollar, End of Period, Rate	30.0371	33.4199	34.5624
Thailand	Exchange Rates, National Currency Per U.S. Dollar, Period Average, Rate	30.0965	33.5636	34.7932

Source: IMF International Financial Statistics (IFS)

Table 6: External public debt stock by interest rate type, 2020-2022

	2020 Outstanding		2021 Outstanding (revised)		2022 Outstanding	
	Million USD	% share	Million USD	% share	Million USD	% share
Total	<u>10,683.65</u>	100.00%	<u>10,425.74</u>	100.00%	<u>10,494.89</u>	100.00%
Floating	<u>1,891.07</u>	17.70%	<u>1,854.83</u>	17.79%	<u>1,721.64</u>	16.40%
Fix	<u>8,792.58</u>	82.30%	<u>8,570.91</u>	82.21%	<u>8,773.26</u>	83.60%

Source: Ministry of Finance

Table 7: Undisbursed external public debt commitments

In million USD

Creditors	2021	2022
CONCESSIONAL	1,181.17	1,346.59
LOAN	1,181.17	1,346.59
BILATERAL	649.47	579.81
AUSTRIA	3.46	12.42
CHINA	269.73	164.28
HUNGARY	68.44	71.59
JAPAN	36.99	77.19
KOREA	227.98	214.65
KUWAIT	0.00	0.00
THAILAND	42.87	39.68
MULTILATERAL	531.70	766.78
ADB	120.62	103.62
AIIB	28.51	63.26
EIB	0.00	94.29
IDA	364.97	485.83
IFAD	12.12	14.60
NDF	5.49	5.17
MARKET TERMS	175.59	187.20
LOAN	175.59	187.20
BILATERAL	175.59	187.20
CHINA	175.59	172.15
OTHER	0.00	15.05
Grand Total	<u>1,356.76</u>	<u>1,533.79</u>

Source: Ministry of Finance

Remark: *Others means to private companies

Table 8: External public debt disbursement in 2020-2022

in million USD

	2020	2021	2022
	Disbursement	Disbursement	Disbursement
CONCESSIONAL	676.29	235.85	298.62
LOAN	676.29	235.85	298.62
BILATERAL	541.53	121.85	150.08
AUSTRIA			1.00
CHINA	387.04	50.68	114.61
HUNGARY	7.96	20.99	6.34
INDIA	0.39	0.37	0.15
JAPAN	13.78	9.26	3.33
KOREA	10.39	20.38	7.81
KUWAIT	0.05		0.00
THAILAND	121.92	20.17	16.84
MULTILATERAL	134.76	114.00	148.54
ADB	67.26	49.99	49.23
AIIB	2.74	1.26	
EIB			21.31
IDA	56.19	59.92	75.41
IFAD	2.82	1.13	2.53
NDF	0.90	1.70	0.05
OPEC	4.85		
MARKET TERMS	449.57	255.46	349.52
BOND	18.33	40.77	164.26
LOAN	431.24	214.70	185.26
BILATERAL	16.03	114.20	0.00
AUSTRIA	2.00		
CHINA		108.89	
MALAYSIA	14.03	5.31	
MULTILATERAL	15.38	0.00	0.00
EIB	15.38		
COMMERCIAL BANKS	399.83	100.50	150.26
OTHERS	0.00	0.00	35.00
Grand Total	1,125.86	491.31	648.14

Source: Ministry of Finance**Remark:** *Others means to private companies

Table 9: Weighted average interest rate and maturity, 2021-2022

Creditor	Interest rates		Maturities		New borrowing contracted in 2022		
	Weighted by debt stock at end 2021	Weighted by debt stock at end 2022	Weighted by debt stock at end 2021	Weighted by debt stock at end 2022	Commitment Amount	Interest Weighted by new debt contracted	Maturities Weighted by new debt contracted
CONCESSIONAL	1.58%	1.60%	25.76	25.55	183.97	1.87%	30.39
LOAN	1.58%	1.60%	25.76	25.55	183.97	1.87%	30.39
BILATERAL	1.72%	1.73%	22.39	22.27	12.38	0.01%	40.17
AUSTRIA	0.00%	0.00%	23.75	23.82	0.00	-	-
CHINA	2.00%	2.00%	19.97	19.96	0.00	-	-
HUNGARY	0.00%	0.00%	22.30	22.45	0.00	-	-
INDIA	1.76%	1.76%	21.72	21.71	0.00	-	-
JAPAN	0.54%	0.54%	35.03	35.10	0.00	-	-
KOREA	0.16%	0.15%	37.35	37.60	12.38	0.01%	40.17
KUWAIT	1.84%	1.84%	27.45	27.47	0.00	-	-
SWEDEN	0.00%	0.00%	29.08	29.08	0.00	-	-
THAILAND	1.50%	1.50%	27.92	27.95	0.00	-	-
MULTILATERAL	1.23%	1.28%	34.42	33.85	171.59	2.00%	29.68
ADB	1.27%	1.27%	33.26	33.03	0.00	-	-
AIIB	1.71%	1.71%	34.67	34.67	0.00	-	-
EEC	0.75%	0.75%	49.83	49.83	0.00	-	-
EIB	2.50%	2.50%	19.05	20.32	0.00	-	-
IDA (World Bank)	1.18%	1.27%	35.88	35.15	171.59	2.00%	29.68
IFAD	0.82%	0.84%	40.06	39.16	0.00	-	-
NDF	0.85%	0.85%	36.81	36.75	0.00	-	-
OPEC	2.31%	2.32%	19.46	19.46	0.00	-	-
MARKET TERMS	5.00%	5.13%	15.03	14.61	349.52	6.54%	4.45
BOND	5.95%	6.07%	10.28	9.55	164.26	6.33%	4.02
LOAN	4.68%	4.78%	16.61	16.48	185.26	6.72%	4.82
BILATERAL	4.42%	4.43%	20.40	20.56	0.00	-	-
AUSTRIA	3.00%	3.00%	12.73	12.73	0.00	-	-
CHINA	4.31%	4.31%	19.39	19.39	0.00	-	-
MALAYSIA	4.06%	4.05%	13.80	13.82	0.00	-	-
RUSSIA	5.85%	5.85%	32.83	32.83	0.00	-	-
THAILAND	4.50%	4.42%	19.03	19.43	0.00	-	-
MULTILATERAL	4.86%	4.87%	28.35	28.40	0.00	-	-
EIB	5.21%	5.21%	29.83	29.83	0.00	-	-
OPEC	2.75%	2.75%	19.50	19.50	0.00	-	-
COMMERCIAL BANKS	5.28%	5.70%	7.27	6.55	150.26	8.05%	1.28
OTHERS*	-	1.00%	-	20.00	35.00	1.00%	17.83
Grand Total	2.95%	3.02%	21.48	21.13	533.49	4.93%	13.39

Source: Ministry of Finance

Remark: *Others means to private companies

Table 10: External public debt services, 2018-2020

In million USD

Creditor	2018			2019			2020		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
CONCESSIONAL	206.35	83.88	290.23	173.31	87.01	260.32	100.92	80.06	180.97
LOAN	206.35	83.88	290.23	173.31	87.01	260.32	100.92	80.06	180.97
BILATERAL	130.66	69.36	200.02	98.96	71.57	170.53	24.55	63.19	87.75
AUSTRIA	2.08	0.05	2.13	0.78	0.01	0.79	0.00	0.00	0.00
CHINA	103.35	62.80	166.15	74.10	64.83	138.94	0.00	54.72	54.72
HUNGARY							0.43	0.00	0.43
INDIA	9.89	1.39	11.28	6.19	1.25	7.44	5.90	1.13	7.02
JAPAN	5.12	0.61	5.73	5.37	0.57	5.94	7.48	1.42	8.90
KOREA	2.51	0.49	3.00	4.06	0.46	4.52	2.03	0.21	2.24
KUWAIT	1.21	0.51	1.72	1.11	0.50	1.62	1.20	0.52	1.73
SWEDEN	0.52		0.52	0.51		0.51	0.25	0.00	0.25
THAILAND	5.98	3.51	9.49	6.84	3.94	10.78	7.26	5.19	12.46
MULTILATERAL	75.69	14.52	90.21	74.35	15.44	89.79	76.36	16.86	93.23
ADB	44.65	8.77	53.42	43.88	8.86	52.74	46.39	8.59	54.98
AIIB							0.00	0.13	0.13
EEC	0.07	0.01	0.07	0.07	0.01	0.07	0.07	0.00	0.07
EIB									
IDA	23.83	4.50	28.33	23.46	5.40	28.86	22.24	6.71	28.96
IFAD	2.12	0.38	2.50	2.06	0.36	2.42	2.10	0.35	2.46
NDF	2.18	0.41	2.59	2.05	0.36	2.41	2.12	0.44	2.56
OPEC	2.83	0.46	3.29	2.83	0.45	3.29	3.43	0.64	4.07
MARKET TERMS	206.50	146.86	353.36	316.81	186.36	503.16	537.25	214.84	752.09
BOND	109.25	71.89	181.13	214.80	84.11	298.91	236.88	68.26	305.13
LOAN	97.25	74.98	172.23	102.01	102.25	204.26	300.37	146.59	446.95
BILATERAL	46.93	50.06	96.99	66.45	75.02	141.47	66.94	103.18	170.12
AUSTRIA	6.92	4.35	11.27	23.31	4.73	28.04	26.17	4.66	30.83
CHINA	18.04	25.83	43.87	17.61	48.17	65.78	0.00	72.55	72.55
MALAYSIA	6.50	2.93	9.43	6.50	3.12	9.62	6.50	3.62	10.12
RUSSIA	12.00	13.31	25.31	12.50	12.76	25.26	13.00	12.23	25.23
THAILAND	3.46	3.65	7.11	6.54	6.23	12.77	21.27	10.11	31.38
MULTILATERAL	1.13	2.65	3.78	1.25	2.65	3.90	1.38	2.58	3.96
EIB	1.13	2.59	3.72	1.25	2.52	3.77	1.38	2.46	3.83
OPEC	0.00	0.06	0.06		0.13	0.13	0.00	0.13	0.13
COMMERCIAL BANKS	49.19	22.27	71.46	34.31	24.58	58.89	232.06	40.82	272.88
Grand Total	412.85	230.75	643.59	490.12	273.37	763.48	638.16	294.90	933.06

Source: Ministry of Finance

Table 10.1: External public debt services, 2021-2022

In million USD

Creditor	2021 (Revised)			2022 (Preliminary)			Average 2018-2022		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
CONCESSIONAL	130.75	27.77	158.52	137.91	38.14	176.06	149.85	63.37	213.22
LOAN	130.75	27.77	158.52	137.91	38.14	176.06	149.85	63.37	213.22
BILATERAL	48.25	9.18	57.43	33.61	19.60	53.21	67.21	46.58	113.79
AUSTRIA	0.41		0.41	0.47	0.00	0.47	0.75	0.01	0.76
CHINA	20.19	2.76	22.95	4.87	11.54	16.41	40.50	39.33	79.83
HUNGARY	0.86		0.86	0.86	0.00	0.86	0.72	0.00	0.72
INDIA	6.66	1.05	7.71	6.28	1.06	7.34	6.98	1.18	8.16
JAPAN	5.62	0.66	6.28	6.82	1.44	8.26	6.08	0.94	7.02
KOREA	4.39	0.45	4.84	3.92	0.43	4.35	3.38	0.41	3.79
KUWAIT	1.28	0.45	1.73	1.21	0.46	1.67	1.20	0.49	1.69
SWEDEN	0.55		0.55			0.00	0.46	0.00	0.37
THAILAND	8.28	3.80	12.08	9.19	4.67	13.86	7.51	4.22	11.73
MULTILATERAL	82.51	18.59	101.09	104.30	18.55	122.85	82.64	16.79	99.43
ADB	49.12	9.15	58.27	67.30	8.55	75.85	50.26	8.79	59.05
AIIB		0.02	0.02	0.06	0.00	0.06	0.03	0.05	0.07
EEC	0.07	0.00	0.07	0.00	0.56	0.56	0.06	0.12	0.17
EIB				0.02	0.05	0.07	0.02	0.05	0.07
IDA	26.31	8.19	34.50	29.94	8.24	38.18	25.16	6.61	31.77
IFAD	1.87	0.34	2.21	2.24	0.42	2.66	2.08	0.37	2.45
NDF	2.30	0.47	2.77	2.51	0.35	2.86	2.23	0.41	2.64
OPEC	2.83	0.41	3.24	2.24	0.37	2.61	2.83	0.47	3.30
MARKET TERMS	402.88	96.68	499.56	220.47	129.97	350.44	336.78	154.94	491.72
BOND	305.89	58.54	364.43	33.89	61.56	95.45	180.14	68.87	249.01
LOAN	97.00	38.14	135.13	186.58	68.41	254.99	156.64	86.07	242.71
BILATERAL	57.67	21.04	78.71	50.30	11.67	61.97	57.66	52.19	109.85
AUSTRIA	18.86	3.62	22.48	14.56	2.62	17.19	17.96	4.00	21.96
CHINA	4.56		4.56	0.00	0.00	0.00	8.04	36.64	37.35
MALAYSIA	13.50	3.08	16.58	13.50	3.21	16.71	9.30	3.19	12.49
RUSSIA	13.50	11.60	25.10	0.00	0.00	0.00	10.20	9.98	20.18
THAILAND	7.25	2.73	9.98	22.24	5.83	28.07	12.15	5.71	17.86
MULTILATERAL	2.11	2.61	4.72	2.27	2.51	4.78	1.63	2.60	4.23
EIB	1.51	2.38	3.89	0.60	0.21	0.81	1.17	2.03	3.20
OPEC	0.60	0.23	0.83	1.67	2.30	3.97	0.57	0.57	1.02
COMMERCIAL BANKS	37.21	14.49	51.70	134.01	54.24	188.24	97.36	31.28	128.63
Grand Total	533.64	124.44	658.08	358.39	168.11	526.50	486.63	218.31	704.94

Source: Ministry of Finance

Remark: The low debt service repayment in 2022 reflected the deferred debt repayments to key creditors, exchange rate fluctuations, and lower-than-expected domestic foreign-currency bond repayments.

Table 11: External public debt service projection, 2023-2025

In million USD

Creditor	2023			2024			2025		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
CONCESSIONAL	505.24	112.03	617.27	480.93	117.53	598.47	514.17	109.60	623.78
LOAN	505.24	112.03	617.27	480.93	117.53	598.47	514.17	109.60	623.78
BILATERAL	407.10	83.63	490.74	372.97	88.43	461.39	396.01	79.04	475.06
AUSTRIA	1.41	0.00	1.41	1.60	0.00	1.60	1.60	0.00	1.60
CHINA	368.64	76.38	445.03	325.67	81.03	406.70	344.16	72.00	416.15
HUNGARY	4.96	0.00	4.96	10.39	0.00	10.39	10.39	0.00	10.39
INDIA	6.66	0.98	7.64	6.66	0.87	7.53	6.66	0.60	7.26
JAPAN	8.15	0.98	9.13	10.56	1.24	11.80	10.56	1.30	11.85
KOREA	4.02	0.42	4.44	4.02	0.38	4.40	4.85	0.36	5.20
KUWAIT	1.10	0.63	1.73	1.10	0.61	1.71	1.10	0.59	1.69
SWEDEN	0.52	0.00	0.52	0.52	0.00	0.52	0.52	0.00	0.52
THAILAND	11.64	4.24	15.88	12.45	4.30	16.74	16.19	4.21	20.39
MULTILATERAL	98.14	28.39	126.53	107.97	29.11	137.07	118.16	30.56	148.72
ADB	55.61	10.95	66.56	58.60	10.78	69.38	59.87	10.50	70.37
AIIB	0.64	0.61	1.25	1.29	0.74	2.02	2.25	0.72	2.98
EEC	0.06	0.00	0.06	0.06	0.00	0.06	0.06	0.00	0.06
EIB	0.00	0.67	0.67	0.00	0.69	0.69	0.30	0.69	1.00
IDA (World bank)	34.35	12.72	47.07	39.65	15.38	55.02	46.93	17.23	64.17
IFAD	2.01	0.42	2.43	2.01	0.43	2.44	2.61	0.44	3.05
NDF	2.44	0.46	2.91	2.85	0.45	3.30	3.00	0.43	3.43
OPEC	3.02	2.56	5.58	3.52	0.63	4.15	3.12	0.55	3.67
MARKET TERMS	684.29	205.70	889.99	433.99	199.26	633.26	695.25	165.43	860.68
BOND	114.21	66.05	180.26	14.35	64.40	78.75	379.50	55.91	435.41
LOAN	570.08	139.64	709.72	419.64	134.86	554.51	315.76	109.52	425.27
BILATERAL	299.77	107.99	407.76	243.68	115.46	359.14	256.46	96.29	352.76
AUSTRIA	14.84	2.26	17.09	14.84	1.85	16.68	14.84	1.42	16.26
CHINA	235.92	88.88	324.80	200.15	95.75	295.90	212.42	78.53	290.95
MALAYSIA	13.50	2.32	15.82	7.00	1.87	8.87	7.00	1.59	8.59
RUSSIA	14.50	10.36	24.86	16.00	12.63	28.63	16.00	11.66	27.66
THAILAND	21.02	4.17	25.19	5.69	3.37	9.06	6.21	3.10	9.31
MULTILATERAL	2.44	2.40	4.85	2.63	2.29	4.92	2.84	2.16	5.00
EIB	1.84	2.21	4.05	2.03	2.11	4.14	2.24	2.00	4.24
OPEC	0.60	0.19	0.79	0.60	0.18	0.78	0.60	0.16	0.76
COMMERCIAL BANKS	267.86	29.06	296.92	173.33	16.68	190.02	54.51	10.55	65.06
OTHERS*	0.00	0.19	0.19	0.00	0.43	0.43	1.94	0.50	2.45
Grand Total	1,189.53	317.72	1,507.25	914.93	316.80	1,231.72	1,209.43	275.03	1,484.46

Source: Ministry of Finance

Remarks:

(1) The projections of debt service takes into account total commitments

(2) *Others means to private companies

Table 11.1: External public debt service projection, 2026-2027

In million USD

Creditor	2026			2027			Average 2023-2027		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
CONCESSIONAL	558.29	105.65	663.95	527.69	92.06	619.74	517.27	107.37	624.64
LOAN	558.29	105.65	663.95	527.69	92.06	619.74	517.27	107.37	624.64
BILATERAL	438.18	74.92	513.10	398.57	61.85	460.42	402.57	77.58	480.14
AUSTRIA	2.15	0.00	2.15	2.15	0.00	2.15	1.78	0.00	1.78
CHINA	378.76	68.35	447.10	336.93	55.78	392.71	350.83	70.71	421.54
HUNGARY	11.34	0.00	11.34	12.28	0.00	12.28	9.87	0.00	9.87
INDIA	6.66	0.49	7.15	6.41	0.39	6.80	6.61	0.67	7.28
JAPAN	14.34	1.22	15.56	12.90	1.14	14.04	11.30	1.18	12.48
KOREA	5.67	0.33	6.00	5.67	0.31	5.98	4.85	0.36	5.21
KUWAIT	1.10	0.56	1.67	2.33	0.54	2.87	1.35	0.58	1.93
SWEDEN	0.52	0.00	0.52	0.52	0.00	0.52	0.52	0.00	0.52
THAILAND	17.65	3.96	21.61	19.37	3.70	23.07	15.46	4.08	19.54
MULTILATERAL	120.11	30.73	150.84	129.12	30.21	159.32	114.70	29.80	144.50
ADB	58.48	9.96	68.44	59.98	9.29	69.27	58.51	10.29	68.80
AIIB	2.25	0.70	2.95	2.25	0.67	2.93	1.74	0.69	2.43
EEC	0.06	0.00	0.06	0.06	0.00	0.06	0.06	0.00	0.06
EIB	0.61	0.69	1.30	1.50	0.69	2.19	0.48	0.69	1.17
IDA (World bank)	50.56	18.07	68.63	57.17	18.34	75.51	45.73	16.35	62.08
IFAD	2.61	0.44	3.05	2.61	0.43	3.04	2.37	0.43	2.80
NDF	3.00	0.40	3.40	3.00	0.38	3.38	2.86	0.42	3.28
OPEC	2.53	0.48	3.01	2.53	0.41	2.95	2.94	0.93	3.87
MARKET TERMS	465.83	127.51	593.34	415.89	112.58	528.47	539.05	162.10	701.15
BOND	157.01	32.40	189.42	108.18	28.33	136.52	154.65	49.42	204.07
LOAN	308.82	95.10	403.92	307.71	84.25	391.96	384.40	112.68	497.08
BILATERAL	247.44	84.48	331.91	245.18	76.30	321.48	258.51	96.11	354.61
AUSTRIA	14.84	1.00	15.84	13.40	0.59	13.98	14.55	1.42	15.97
CHINA	203.39	68.62	272.01	202.57	62.35	264.92	210.89	78.83	289.72
MALAYSIA	7.00	1.31	8.31	7.00	1.02	8.02	8.30	1.62	9.92
RUSSIA	16.00	10.72	26.72	16.00	9.78	25.78	15.70	11.03	26.73
THAILAND	6.21	2.83	9.04	6.21	2.56	8.77	9.07	3.21	12.27
MULTILATERAL	3.07	2.03	5.10	3.32	1.88	5.20	2.86	2.15	5.01
EIB	2.47	1.88	4.35	2.72	1.75	4.47	2.26	1.99	4.25
OPEC	0.60	0.14	0.74	0.60	0.13	0.73	0.60	0.16	0.76
COMMERCIAL BANKS	54.76	8.08	62.84	55.66	5.59	61.25	121.23	13.99	135.22
OTHERS	3.55	0.52	4.07	3.55	0.48	4.03	1.81	0.42	2.23
Grand Total	1,024.12	233.16	1,257.28	943.58	204.64	1,148.22	1,056.32	269.47	1,325.79

Source: Ministry of Finance

Remarks:

(1) The projections of debt service takes into account total commitments

(2) *Others means to private companies

Table 12: Domestic Debt Stock 2018-2022

In Billion LAK

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021 Revised</u>	<u>2022</u>
-					
Investment Bond	1,601.00	729.00	446.00	11,204.75	15,132.34
Triangular Bond	3,215.55	2,887.33	2,714.15	6,885.00	6,547.72
Government Bond Through LSX	285.13	1,468.85	2,479.55	3,593.16	2,938.93
Government Bond Through BOL (T-Bill)	NA	3,061.68	2,821.27	2,313.71	1,966.71
<u>Total</u>	<u>5,101.68</u>	<u>8,146.86</u>	<u>8,460.97</u>	<u>23,996.61</u>	<u>26,585.69</u>

Table 13: 2021 and 2022 Domestic Debt transactions

In Billion LAK

	<u>2021 Revised</u>			
	<u>Issued</u>	<u>Repayment</u>		
		<u>Principal</u>	<u>Interest</u>	<u>Total</u>
-				
Investment Bond	11,063.75	305.00	67.90	372.90
Triangular Bond	4,864.02	693.17	132.00	825.17
Government Bond Through LSX	1,173.60	60.00	176.01	236.01
Government Bond Through BOL (T-Bill)	1,289.00	1,796.56	24.68	1,821.24
<u>Total</u>	<u>18,390.37</u>	<u>2,854.73</u>	<u>400.59</u>	<u>3,255.32</u>
-	-	-	-	-
	<u>2022</u>			
	<u>Issued</u>	<u>Repayment</u>		
		<u>Principal</u>	<u>Interest</u>	<u>Total</u>
-				
Investment Bond	3,927.59	0.00	366.76	366.76
Triangular Bond	0.00	337.28	361.61	698.89
Government Bond Through LSX	1,393.32	2,047.55	309.73	2,357.28
Government Bond Through BOL (T-Bill)	1,074.80	1,421.80	275.68	1,697.48
Loan	N/A	0.00	0.00	0.00
<u>Total</u>	<u>6,395.71</u>	<u>3,806.63</u>	<u>1,313.78</u>	<u>5,120.41</u>

Source: Ministry of Finance

Remark: The MoF and domestic commercial banks have an agreement that enables foreign currency loan repayments to be made in kip. However, interest payments were made in foreign currency in 2022 (Table 10.1), while there is no principal repayment in 2022 because these were rolled over to 2023 (Table 14).

Table 14: Domestic Debt Service Projection 2023-2027

In billion LAK

No.	Instruments	2023			2024			2025		
		Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
1	Investment Bond	791	676	1,467	650	671	1,321	1,150	632	1,782
2	Triangular Bond	829	287	1,116	721	270	990	721	232	953
3	Government Bond Through LSX	2,701	412	3,113	1,522	97	1,619	1,507	85	1,592
4	Government Bond Through BOL	1,967	111	2,078	2,584	129	2,713	2,744	156	2,899
5	Loan	4,663	187	4,849	0	0	0	0	0	0
Total		10,950	1,673	12,623	5,477	1,166	6,643	6,121	1,104	7,225

No.	Instruments	2026			2027			2023-2027		
		Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
1	Investment Bond	1,150	593	1,743	1,710	554	2,264	1,090	625	1,715
2	Triangular Bond	721	193	914	721	154	875	742	227	970
3	Government Bond Through LSX	2,801	169	2,970	2,800	169	2,969	2,266	186	2,452
4	Government Bond Through BOL	3,114	219	3,332	3,244	237	3,481	2,730	170	2,901
5	Loan	0	0	0	0	0	0	933	37	970
Total		7,786	1,174	8,960	8,474	1,114	9,589	7,762	1,246	9,008

Source: Ministry of Finance**Remark:** Since the MoF and domestic commercial banks have an agreement that enables repayments to be made in LAK, debt service to banks (about \$300 million USD) has been scheduled in the domestic debt service plan.

Table 15: SOE's Debt Onlended by Government (by SOEs)

In Million USD

No.	SOEs	2021 Outstanding (Revised)	2022 Outstanding	Debt Service Projection								
				2023			2024			2025		
				Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
1	EDL	3,466.32	3,852.01	332.34	89.13	421.47	334.49	82.78	417.27	329.07	74.04	403.11
2	LHSE	339.35	315.24	27.27	12.54	39.82	27.62	11.18	38.80	28.47	9.78	38.25
3	EDL-Gen	389.61	0.00			0.00			0.00			0.00
Total All		4,195.27	4,167.25	359.61	101.68	461.29	362.11	93.96	456.07	357.54	83.82	441.36

No.	SOEs			Debt Service Projection					
				2026			2027		
				Principal	Interest	Total	Principal	Interest	Total
1	EDL			343.72	67.15	410.87	349.08	62.12	411.20
2	LHSE			28.91	8.35	37.26	29.75	5.41	35.17
3	EDL-Gen					0.00			0.00
Total All				372.63	75.50	448.13	378.83	67.53	446.36

Remark: In 2022, EDL-Gen reached an agreement with EDL to offset an EDL's overdue electricity purchase owed to EDL-GEN with EDL-GEN's loan repayment obligations to the Government for two of the EDL GEN's power projects that used on-lent loan from the government. This means that EDL will take responsibility to payback those debt to government instead of EDL-Gen.

Table 15.1: SOE's Debt Onlended by Government (by Currency)

In Million USD

No.	Currency	2021 Outstanding (Revised)	2022 Outstanding	Debt Service Projection								
				2023			2024			2025		
				Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
1	USD	3,747.98	3,722.95	305.09	92.39	397.47	312.45	85.99	398.44	325.44	77.40	402.84
2	CNY	283.46	281.57	24.36	5.56	29.91	22.06	4.97	27.03	21.63	4.37	26.00
3	EUR	2.10	2.08	1.17	0.10	1.28	1.06	0.04	1.10	0.00	0.00	0.00
4	THB	68.53	68.07	26.85	3.37	30.22	21.78	1.54	23.32	5.81	0.77	6.57
5	JPY	93.20	92.58	2.14	0.26	2.40	4.76	1.41	6.17	4.67	1.27	5.94
Total All		4,195.27	4,167.25	359.61	101.68	461.29	362.11	93.96	456.07	357.54	83.82	441.36

No.	Currencies			Debt Service Projection					
				2026			2027		
				Principal	Interest	Total	Principal	Interest	Total
1	USD			338.74	69.78	408.52	345.77	62.61	408.39
2	CNY			22.83	3.99	26.82	22.27	3.53	25.80
3	EUR			0.00	0.00	0.00	0.00	0.00	0.00
4	THB			6.13	0.54	6.67	5.98	0.29	6.27
5	JPY			4.93	1.19	6.12	4.81	1.09	5.90
Total All				372.63	75.50	448.13	378.83	67.53	446.36

Source: Ministry of Finance

Table 16: SOE's Debt Guaranteed by Government

In million USD

<u>SOEs</u>		<u>Outstanding as of 2021</u>	<u>Outstanding as of 2022</u>
1	EDL	1,870.68	1,809.21
2	Lao Airline	156.38	154.05
Total		2,027.06	1,963.26

In million USD

<u>Currencies</u>		<u>Outstanding as of 2021</u>	<u>Outstanding as of 2022</u>
<u>1</u>	<u>USD</u>	<u>2,027.06</u>	<u>1,963.26</u>
Total		2,027.06	1,963.26

Source: Ministry of Finance

Table 17: Government Arrears

In billion LAK

No.	Content	2021	2022
1	Public Investment Arrears*	423.00	423.00
2	Recurrent Expenditure Arrears**	503.38	453.38
Total		926.38	876.38

Source: Ministry of Finance

Remarks:

According to the Public Debt Management Law, arrears are not considered to be PPG debt. These only become a debt if (and when) settled through a bond issuance. The government reported completed works (relating to capital investment) of about 33,000 billion kip, of which 10,000 billion kip were verified as arrears. These were subsequently approved by the National Assembly and the government issued bonds (in the form of triangle bonds and investment bonds) amounting to 9,577 billion kip in 2021. In 2022, the MoF did not complete the clearing of the remaining public investment arrears (423 billion kip). The other 23,000 billion kip is currently undergoing an audit and inspection process by relevant agencies. The amounts verified and approved as arrears might be cleared through a combination of domestic bond issuances and future budget allocations.

Part 4: Definitions

Arrears

Amounts that are unpaid past the due date. Arrears can arise as the consequence of late payment of principal and interest on debt instruments, and late payments for other instrument transactions. In addition, arrears reported in this bulletin also include expenditure (recurrent and public investment) arrears.

Bilateral Loans

See *“Official credits”*.

Bonds

These instruments give holders unconditional right to a fixed money income or contractually determined variable money income. They are usually traded in organized markets or other financial markets.

Capitalized Interest

Capitalized interest is the conversion of accrued interest costs or future interest payments, by a contractual arrangement with the creditor, to a new debt instrument or the principal amount. The most common form of capitalization is the reinvestment of interest costs into the principal amount, either because of an explicit agreement regarding the specific debt instrument or as part of a rescheduling agreement.

Commitment

A firm obligation to lend, guarantee, or insure resource of a specific amount under specific financial terms and conditions.

Concessional Loans

These are loans that are extended on terms substantially more generous than market loans. The concessionality is achieved either through interest rates below those available on the market or by grace periods, or a combination of these.

Creditor Country

The country in which the creditor resides. In Paris Club terminology, it is an official bilateral creditor.

Debt Conversion

The exchange of debt for a non-debt liability, such as equity, or for counterpart funds, such as can be used to finance a particular project or policy.

Debt Outstanding (and Disbursed)

The amount that has been disbursed but has not, as yet, been paid back or forgiven.

Debt Reorganization

An action taken jointly by a creditor and a debtor that result in a change of the debt service profile in order to ease the burden of that profile. This action may take the form of debt reorganization lending or debt relief grants. In the latter case the action may be taken unilaterally by the creditor. Debt reorganization includes debt forgiveness, rescheduling and refinancing operations.

Debt Rescheduling

Debt rescheduling refers to the formal deferment of debt service payments and the application of new and extended maturities to the deferred amount. Rescheduling debts is one means of providing a debtor with debt relief through a delay and, in the case of concessional rescheduling, a reduction in debt-services obligations.

Debt Service

Refers to payments in respect of principal, interest and fees. Actual debt service is the set of payments actually made to satisfy a debt obligation, including principal, interest and any late payment fees. Scheduled debt service is the set of payments, including principal, interest and fees, that is required to be made through the life of the debt.

Disbursement/Drawing

The transactions of providing financial resources. The two counter parties must record the transaction simultaneously. In practice, disbursements are recorded at one of several stages: provision of goods and services (where trade credit is involved); placing of funds at the disposal of the recipient in an earmarked fund or account; withdrawal of funds by the recipient from an earmarked fund or account; or borrower. The term "utilized" may apply when the credit extended is in a form other than currency. Disbursements should be recorded gross-the actual amount disbursed.

EURIBOR (Euro Inter-Bank Offered Rate)

The EURIBOR is the European inter-bank base rate that replaced the national inter-bank rates (IBOR) in the countries participating in the European Monetary Union from 1 January 1999.

EURO

The EURO is the European currency launched on 1 January 1999. As a consequence, the currencies of the countries participating in the Monetary Union are no longer quoted on the foreign exchange markets.

EURO LIBOR

The EURO LIBOR is calculated by the British Banker's Association as an unweighted average of the money market rates for the euro provided by a panel of banks. See "EURIBOR".

Fee

A payment for a service, for instance commitment fee, agent fee, management fee.

Fixed Rate Debt

Debt instruments which its interest costs are not linked to any reference index.

Floating Rate Debt

Debt instruments that its interest costs are linked to a reference index—for example, LIBOR (London inter-bank offered rate), or the price of specific commodity, or the price specific financial instrument that normally change over time in a continuous manner in response to market pressures.

Government Bond

Means the bond issued by the Ministry of Finance to raise funds to finance State Budget or other specific investment projects and/or capital construction works.

Government Guaranteed Bond

The bond is issued by enterprises to raise capital for investment projects and guaranteed by the Government

Government Debt

Government debt means the debt incurred by domestic, external borrowing that has been entered into or issued in the name of the State or on behalf of the Government, and/or by any other borrowing agency that has been contracted or issued or authorized for issuance by the Ministry of Finance. The Government debt thereof does not comprise of the debt issued by the State Bank of Lao P.D.R for the implementation of monetary policy corresponding to each period.

Government Guaranteed Debt

Government guaranteed debt means the debt incurred by domestic and external borrowing by financial and/or credit institutions or other enterprises, whose repayments are guaranteed by the Government.

Interest

For the use of principal, interest can, and usually does, accrue on the principal amount, resulting in an interest cost for the debtor. When this cost is paid periodically, as commonly occurs, it is known as an interest payment. Interest can be calculated either using a fixed-interest rate or a variable-interest rate basis.

Late Interest

Compensation (penalty) one party has to pay to another party in the event of the first party failing to meet its obligations, or some of its obligations, under the terms of a loan contract.

London Club

A group of commercial banks whose representatives meet periodically to negotiate the restructuring of debts of sovereign borrowers. There is no organizational framework for the London Club comparable to that of the Paris Club.

Multilateral Creditor

These creditors are multilateral institutions such as the IMF and the World Bank, as well as other multilateral development banks.

Multilateral Loans

See "Official credits".

National External Debt

National External Debt means the total of the external outstanding debt stock of the Government, the external outstanding debts guaranteed by the Government and other external outstanding debts of enterprises and other institutions under the method of self-borrowing and self-repayment in pursuance to applicable Laos legislation.

Net Flow

From the viewpoint of a loan, the net flow is gross disbursements less principal repayments.

Net Transfer

From the viewpoint of a loan, the net flow is gross disbursements less principal repayments and interest and commission payments.

Official Credit

Also called official loans. Official credits include bilateral loans as well as loans from multilateral organizations: - Bilateral loans are loans from governments and their agencies (including Bank of Lao P.D.R), loans from autonomous bodies, and direct loans from official export credit agencies.

- **Loans from multilateral organizations are loans and credits from the World Bank, regional development banks, Bank of Lao P.D.R and other multilateral and intergovernmental agencies.** Excluded are loans from funds administered by an international organization on behalf of a single donor government (these are classified as loans from governments).

Official Creditors

Public sector creditors, including multilateral organizations. External debt owed to official creditors might also include debt that was originally owed to private creditors but was guaranteed by a public entity in the same economy as the creditor e.g., an export credit agency.

Official Development Assistance (ODA)

Flows of official financing administered with the promotion of the economic development countries as the main objective, and which are concessional in character with a grant element of at least 25 percent (using a fixed 10 percent rate of discount). By convention, ODA flows comprise contributions of donor government agencies, at all levels, to developing countries (“bilateral ODA”) and to multilateral institutions. ODA receipts comprise disbursement by bilateral donors and multilateral institutions. Lending by export credit agencies – with the purpose of export promotion – is excluded.

Official Development Assistance (ODA) Loans

Loans with a maturity of over one year meeting the criteria set out in the definition of ODA, provide by governments or official agencies and for which repayment is required in convertible currencies or in kind.

Principal Repayment

An actual payment made by the debtor to the creditor to cover principal reimbursement due, in accordance with the amortization table.

Principal Outstanding

The principal amount which has been but has not repaid by the debtor at a certain time

Private Credits

Private credits are debt instrument extended by private creditors. It can include publicly issued or privately placed bonds, loans from commercial banks (including private banks and private financial institutions) and all other private loans such as credits from exporters and other suppliers as well as bank credits covered by a guarantee of an export credit agency. *See “Private creditors”.*

Private Creditors

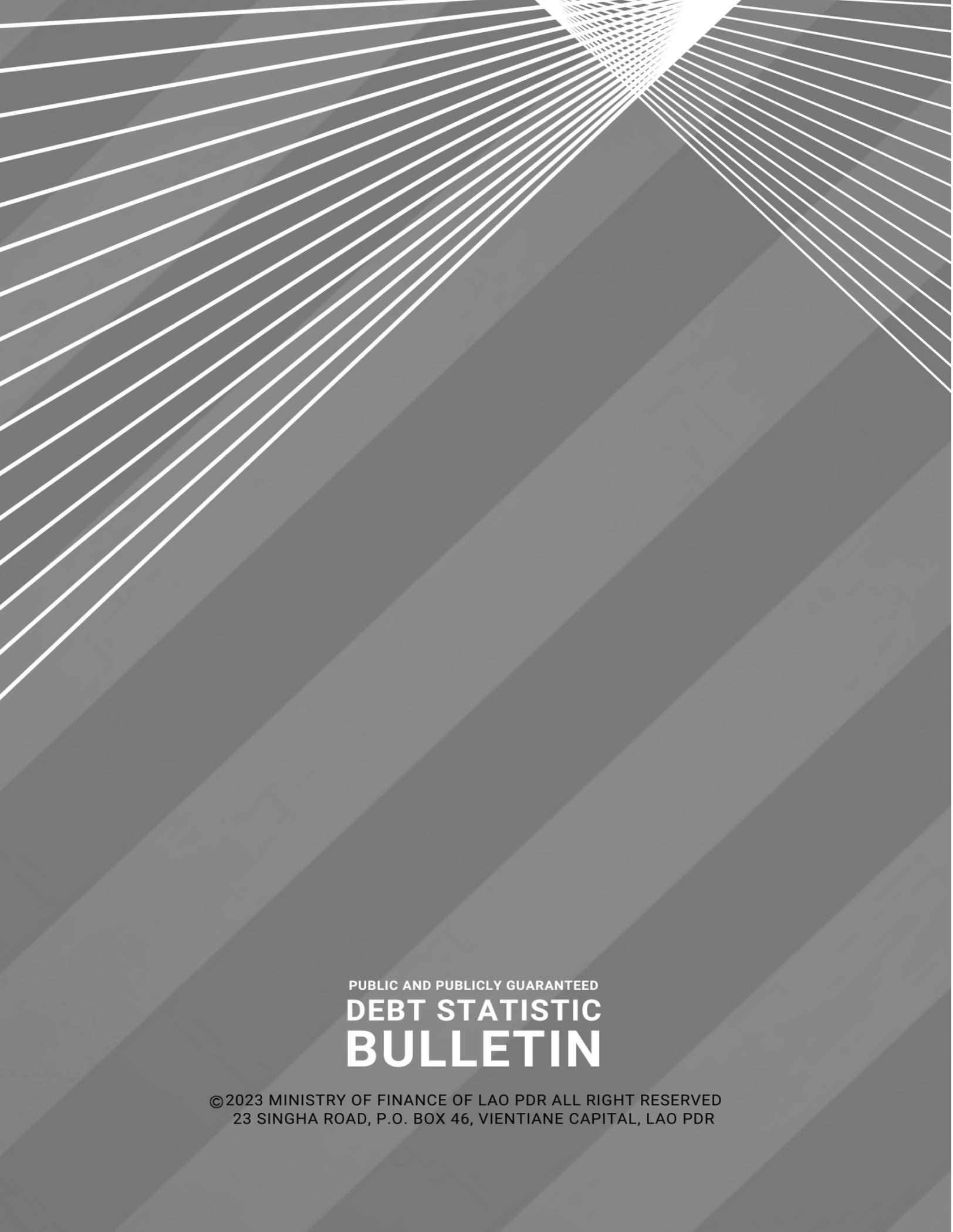
Creditors that are neither governments nor public sector agencies. These include private financial institutions, and manufacturers, exporters and other suppliers of goods that have financial claim

Refinancing

Refinancing is type of agreement or the financing type of a loan. It refers to an agreement by a lender or an agency acting on behalf of the lender, to finance service payments arising from earlier borrowing by extending a new loan for this purpose.

Short-Term Debt

Debt that has maturity of one year or less. Maturity can be defined either on an original or remaining basis.



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**DEBT STATISTIC
BULLETIN**

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